

BellSouth Corporation
Legal Department
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November 1, 2001

Jonathan Banks
General Attorney

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VIA ELECTRONIC FILING

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
The Portals
445 12th Street, S.W.
Washington, D.C. 20554

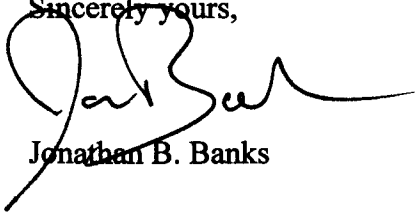
Re: EX PARTE – CC Docket No. 01-277

Dear Ms. Salas:

We supplied the attached written material to the Department of Justice concerning competitive information at their request.

I am filing notice of this ex parte in the docket identified above, as required by Commission rules, and request that you associate this notice with the record of that proceeding. If you have any questions concerning this, please call me at (202) 463-4182.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'JB Banks', written over the typed name 'Jonathan B. Banks'.

Jonathan B. Banks

Attachment

cc: Jessica Rosenworcel
Susan Pié
James Davis-Smith (Department of Justice)
Cynthia Lewis (Department of Justice)

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VIA FAX – (202) 616-2645

Charles A. James
Assistant Attorney General
U. S. Department of Justice
Antitrust Division
950 Pennsylvania Avenue, N.W.
Room 3744
Washington, D.C. 20530

VIA FAX – (202) 514-6543

R. Hewitt Pate
Deputy Assistant Attorney General
U. S. Department of Justice
Antitrust Division
950 Pennsylvania Avenue, N.W.
Room 3645
Washington, D.C. 20530

Dear Messrs. James and Pate:

Not only do CLECs continue to take lines in Georgia, but the pace of their gains is accelerating. The attached chart compares aggregate CLEC Georgia lines and market share as of the last day of July and September of this year. The numbers for September show that CLECs had 17.7 percent of Georgia access lines, up from 16.4 percent in July. CLECs added about 63,000 lines and 1.3 share points in two months.

These numbers are based on a count of lines CLECs list in the E911 database and UNE-Platforms provisioned to CLECs. The methodology is applied consistently from month-to-month. The Department has relied on this methodology in the Comments it has

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filed on all recent 271 applications. The July numbers and carrier-by-carrier backup were filed with BellSouth's 271 application. The September numbers and backup were recently provided to the Department and filed with the FCC in an ex parte.

The sharp increase in CLEC lines from July to September is due principally to a ramp up in orders for the UNE-Platform. In August, BellSouth provisioned over 48,000 UNE-Platform arrangements. 48,000 lines represents a little over 1 percent of BellSouth's Georgia access lines. Not every one of the UNE-Platform arrangements represents a lost BellSouth retail line because some of the activity represents CLEC-to-CLEC transfers and some represents conversion of resale lines to UNE-Platform arrangements. However, the fact is that BellSouth's operating systems and manual backup provided sufficient support to provision enough UNE-Platform arrangements for one percent of the market to switch providers in one month.

The Department has looked to evidence of actual commercial entry as the best proof of whether a market is open since it filed its first 271 comments in 1997. See, e.g., DOJ Oklahoma Evaluation, pp. 41-42. ("The Department will look first to the extent to which competitors are entering the market. The presence of commercial competition, at a nontrivial level, both (1) suggests that the market is open; and (2) provides an opportunity to benchmark the BOC's performance so that regulation will be more effective." Thus, the Department "will look, first and foremost, to the nature and extent of actual local competition." Oklahoma Evaluation at 43.

Under the Department's longstanding approach, the level of "actual local competition" provides compelling evidence that BellSouth's systems and manual backup are adequate to support very robust levels of local competition.

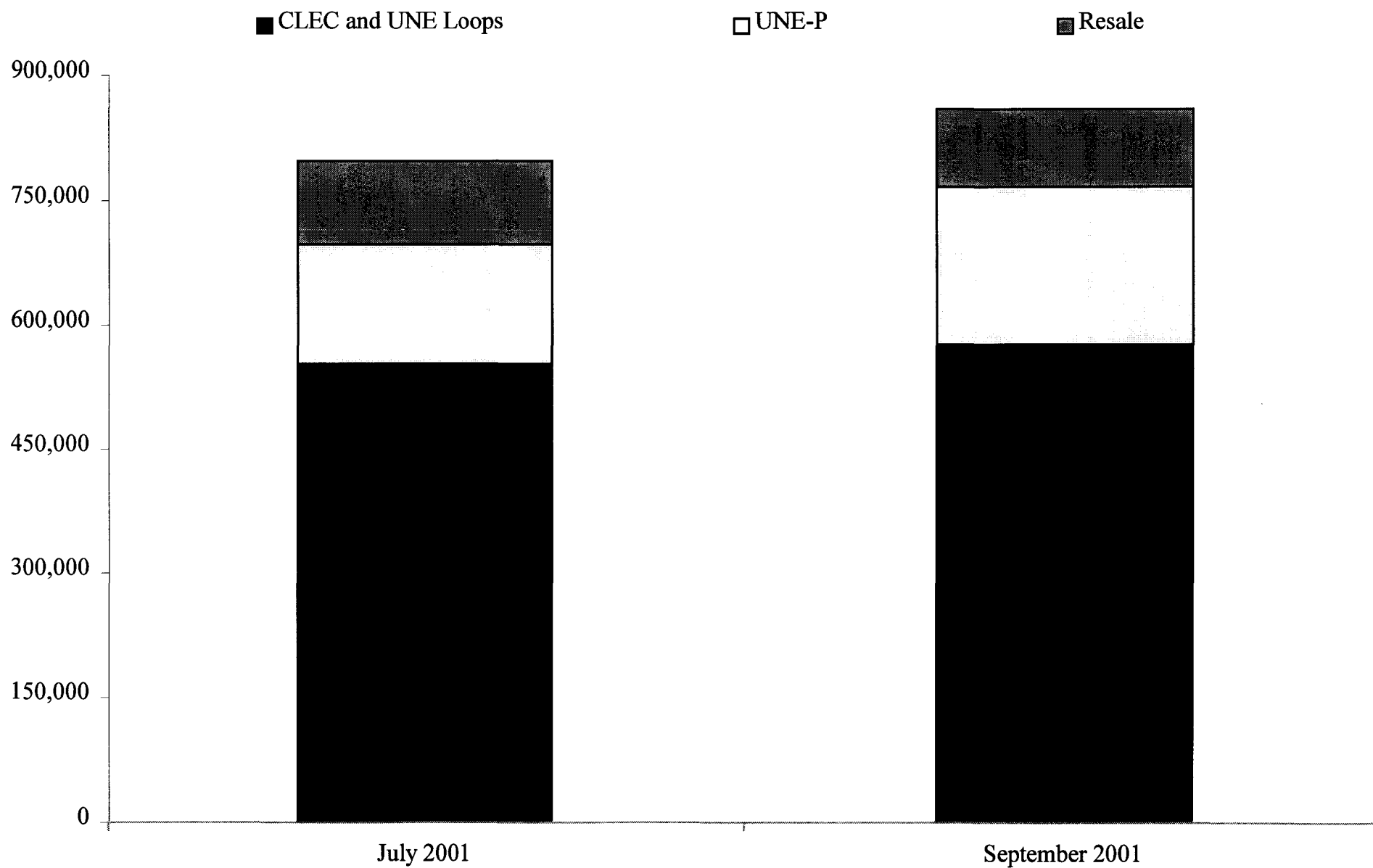
Very truly yours,

A handwritten signature in cursive script that reads "Jon Banks / sbm".

Jonathan B. Banks

Attachment
cc: Cynthia Lewis (Department of Justice)

Competitive Lines in Georgia



Sources: *July 2001* – Georgia/Louisiana 271 Application, Affidavit of Victor K. Wakeling, Tbl. 2 (FCC filed Oct. 2, 2001); *September 2001* – BellSouth internal data.